



United States Department of the Interior

Bureau of Land Management

Richfield Field Office

150 East 900 North
Richfield, Utah 84701

<http://www.ut.blm.gov>



IN REPLY REFER TO:

RECEIVED

OCT 09 2001

**DIVISION OF
OIL, GAS AND MINING**

3809

(U-050)

UTU-71500

October 3, 2001

Mr. Richard Hope, Manufacturing Manager
Georgia-Pacific Corporation
200 South State Street
Sigurd, Utah 84657

RE: Meeting With Respect to Reclamation and Bonding Requirements

Dear Mr. Hope:

As you are aware, Georgia-Pacific Corporation (Georgia-Pacific); the Division of Oil, Gas, and Mining (DOGM); and the Bureau of Land Management (BLM) met on September 6, 2001, to discuss reclamation of federal lands that have been disturbed under Georgia-Pacific's Plan of Operations. Mr. Russell Harm, Georgia-Pacific, and Jerry Dastrup, a local contractor, were very helpful in discussing the specifics of reclamation during that on-site meeting. At this time, Georgia-Pacific has stated their intent to reclaim mining-related disturbances, subject the federal surface management regulations under 43 CFR 3809, as well as the state regulations. The case file for the BLM record is UTU-71500, and Georgia-Pacific is the operator under the approved Plan of Operations, as well as the mining claimant.

During the field review, unrelcaimed, mining-related disturbances on federal land were inspected at the Western (South) quarry and the Kings Meadow quarries, as well as the reject, wallboard dump. The surface disturbance at the two quarry areas included highwalls, mining benches, dumps, and access roads. Based on the field review, Georgia-Pacific, DOGM, and BLM reached a consensus and a verbal agreement as to the reclamation work that would be completed by Georgia-Pacific or a contractor as hired by the operator at these areas.

The main haul road from the South and Kings Meadow quarries to Georgia-Pacific's mill was inspected and discussed. The southern portion from the new county landfill road to the old county road is a new access road that is less than 1/2 mile in length and was constructed by Georgia-Pacific. As the operator, your company is responsible for reclaiming that portion of the road. The northern portion from the old county road to the mill is approximately 4 miles in length and in part crosses private land. Georgia-Pacific has maintained the northern portion for hauling, and reclamation requirements were not determined during the field inspection. An agreement was made to check the case file and other records to ascertain the status of this road under the Plan of Operations.

Georgia-Pacific agreed to provide a cost estimate and a schedule for the reclamation work. During the meeting, the details that would be needed in the cost estimate were discussed with Georgia-Pacific. In order to simplify and be consistent with DOGM's method of estimating bonds, the spreadsheet for a Reclamation Surety Estimate is enclosed with this letter. You do not have to use this form and some of the data included in the form may not apply to Georgia-Pacific's operations and reclamation proposal, however, our recommendation is to follow the format to the extent possible. If you would like an electronic copy, please contact Michael Jackson at (435) 896-1522 or Doug Jensen at (801) 538-5382.

As has been discussed previously, new federal regulations (43 CFR 3809) became effective on January 20, 2001. Under 3809.505, you must post a financial guarantee in accordance with these new regulations. Under 3809.554, the reclamation cost must be estimated as if BLM were to hire a third-party contractor to perform the reclamation work, if the operator vacated the project area. BLM must be assured that cost includes mobilization, use, and demobilization of off-site equipment; contractor profits; federally-mandated labor rates (Davis-Bacon wages) for workers; and the contractor's insurance and bond. The regulations require that the estimate include BLM's cost to administer the reclamation contract.

We recognize that developing this reclamation estimate and schedule will involve time of your staff as well as a contractor. However, if some of the re-contouring work is completed, then the bond estimate may be lowered, depending on the amount of work completed.

As a final note, the Gabus claim group (unpatented, mining claims on federal land) and the Crescent claim group (patented) were not inspected on September 6th. During the field review, the consensus was that reclamation at the Western quarry and the Kings Meadow quarries would probably entail more work than would be completed this fall. To our knowledge, no disturbances have been created at the Gabus group, and BLM will confirm that through an inspection, prior to final release of Georgia-Pacific from reclamation liabilities. Reclamation of the Crescent group is regulated by DOGM only.

If you would like a copy of the current federal regulations, those are available through the BLM home page or contact Michael Jackson (435) 896-1522. If you have any questions, please also contact him.

Again, thank you for your time and your cooperation in the management of public lands.

Sincerely,



for Dave Henderson
Associate Field Manager

Enclosure: Reclamation Surety Estimate Form (3 p.)

cc: Russell Harms, Environmental Engineer, Georgia-Pacific Corporation, P. O. Box 337350, North Las Vegas, NV 89033-0040

Lynn Kunzler, Division of Oil, Gas and Mining, State of Utah, Box 145801, Salt Lake City, Utah 84114-5801

1 RECLAMATION SURETY ESTIMATE

(c:\data\bonding\mine-bnd.wb2)

Operator Name

11 revision 06/02/00

Mine Name

file name is 2

page "estimate D10"

DOGMA file number

County

Prepared by Utah State Division of Oil, Gas & Mining

-This estimate uses a D10 size dozer for most earthwork

Print block named "d10est" for the estimate page & "d10notes" for the notes page

Note: actual unit costs may vary according to site conditions

last unit cost update

2-Aug-2000

-Amount of disturbed area which will receive reclamation treatments =

0.0 acres

-Estimated total disturbed area for this mine =

0.0 acres

Activity	Quantity	Units	\$/unit	\$	Note
Safety gates, signs, etc. (mtls & installation)	0	sum	200	0	(1)
Demolition of buildings & facilities	0	CF	0.24	0	(2)
Debris & equipment removal - trucking	0	trips	50	0	(3)
Debris & equipment removal - dump fees	0	CY	55	0	(4)
Debris & equipment removal - loading trucks w/FE loader	0	hours	166	0	(5)
Demolition & debris removal - general labor	0	hours	15	0	(6)
Regrading facilities areas	0.0	acre	334	0	(7)
Regrading waste dump slopes	0	CY	0.34	0	(8)
Ripping waste dump tops	0.0	acre	317	0	(9)
Ripping stockpile & compacted areas	0.0	acre	317	0	(9)
Ripping pit floors	0.0	acre	317	0	(9)
Ripping pit access roads	0.0	acre	317	0	(9)
Creating safety berms or barriers around highwalls	0	LF	0.11	0	(10)
Ripping access roads - dozer	0.0	acre	317	0	(9)
Regrading access roads - dozer	0.0	acre	434	0	(7)
Sidestack mtl replacement on steep roads- trackhoe	0	LF	1.09	0	(11)
Surface drainage restoration or construction	0	LF	0.11	0	(10)
Topsoil replacement - dozer	0	CY	0.34	0	(12)
Topsoil replacement - scraper	0	CY	1.15	0	(13)
Topsoil replacement - truck & FE loader	0	CY	2.60	0	(14)
Mulching (2 ton/acre alfalfa)	0.0	acre	160	0	(00)
Fertilizing (100 lb/acre diammonium phosphate)	0.0	acre	90	0	(00)
Composted manure (10 ton/acre)	0.0	acre	300	0	(00)
Broadcast seeding (~20 lb/acre)	0.0	acre	170	0	(00)
Drill seeding (~13 lb/acre)	0.0	acre	150	0	(00)
Hydroseeding	0.0	acre	800	0	(00)
General site cleanup & trash removal	0.0	acre	50	0	(00)
Equipment mobilization	0	equip	1000	0	(00)
Reclamation Supervision	0	days	386	0	(15)
Subtotal				0	
10% Contingency				0	
Subtotal				\$0	
Escalate for 5 years at 3.13% per yr				0	
Total				\$0	
Rounded surety amount in yr 2006-\$				\$0	
Average cost per disturbed acre =					

ERR

DOGMA lump sum assumed

(2) Means Heavy Construction Cost Data 2000, 02220-100-0100, mix of bldg. types, avg., excluding dump fees

(3) Means 2000, 02225-730-5100, bldg demo, rubbish handling, \$0.50/CY permile for >8CY truck; assumed 100 miles round trip

(4) Means 2000, 02225-740-0100, dump charges, typical urban city, tipping fees only, bldg construction mtl

(5) Rental Rate Blue Book 3Q/00, Cat 988B, 7CY \$85.64hr+\$39.60/hr, & Means 2000, Crew B-10U, loading trucks only\$40.87

(6) DOGM assumed wage for unskilled general labor

(7) Means 2000 & Blue Book 3Q/00: Cat D10N, U, mtl 2550 lb/CY, 50 ft push, 1 ft depth

(8) Means 2000 & Blue Book 3Q/00: Cat D10N, U, mtl 2550 lb/CY, 100 ft push

(9) Means 2000 & Blue Book 3Q/00: Cat D10N, U, multi shank rippers, speed 1.0 mph

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(10) Means 2000 & Blue Book 3Q/00: Cat D10N, U, mtl 2550 lb/CY, 50 ft push, avg vol 0.5CY/LF-berm assumed

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(7) Means 2000 & Rental Rate Blue Book 3Q/00: Cat D10N, U, mtl 2550 lb/CY, 75 ft push, 1 ft depth

(11) Contractor's actual costs, 1991 at E/053/012 escalated to 2000-\$, Cat 225 Excavator, 20 ft wide road

(10) Means 2000 & Blue Book 3Q/00: Cat D10N, U, mtl 2550 lb/CY, 50 ft push, avg vol 0.5CY/LF-berm assumed

(12) Means 2000 & Blue Book 3Q/00: Cat D10N, U, mtl 2550 lb/CY, 100 ft push

(13) Means 2000 & Blue Book 3Q/00: Cat 627F P-P, mtl 2550 lb/CY, 2,000 ft haul one-way, grade +/- 4%,

(14) Means 2000 02320-200-2030: earthwork, hauling excavated or borrow material, off highway hauler, 22 C

(00) DOGM general estimate - mulching

(00) DOGM general estimate - fertilizing

(00) DOGM general estimate - manure \$16/ton delivered, \$14 ton/acre spreading

(00) DOGM general estimate - broadcast seeding

(00) DOGM general estimate - drill seeding

(00) DOGM general estimate - hydroseeding

(00) DOGM general estimate - site cleanup & trash removal

(00) DOGM general estimate - equipment mobilization

(15) Means 2000, 01300-700-0180, project manager, minimum \$1,930/wk

1	RECLAMATION SURETY ESTIMATE	(c:\data\bonding\mine-bnd.wb2)
2	Operator Name	last revision 06/02/00
3	Mine Name	file name M000-000.WB2 page "estimate D10"
4	DOGMA file number	County
5	Prepared by Utah State Division of Oil, Gas & Mining	
6	last unit cost update	2-Aug-2000

Note

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RECLAMATION SURETY ESTIMATE

Operator Name _____ last revision 08/02/00

Mine Name _____ filename M000-000.WB? page "estimate D9"

DOGm file number _____ County _____

Prepared by Utah State Division of Oil, Gas & Mining

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